

Medi-Cal Program Guide Special Notice (SN) 08-12

August 6, 2008

Subject	ARTICLE A- COUNTY MEDICAL SERVICES (CMS) HARDSHIP APPLICATIONS
Effective Date	Pending CMS Hardship applications dated 12/01/07 through 06/30/08
Reference	County Policy; MPG Letter #636
Purpose	This Special Notice provides CMS staff with instructions for re-evaluating pending CMS Hardship applications dated 12/01/07 through 06/30/08 under the new CMS Program modification criteria.
Background	<p>Since December 01, 2007, the CMS program has been under two separate eligibility categories: CMS and CMS Expansion.</p> <p>Currently, the CMS program provides medical services at no cost to individuals who meet CMS eligibility criteria and whose monthly net countable income is at or below 165% of the Federal Poverty Level (FPL). Applicants whose monthly net countable income is over 165% FPL are given the opportunity to apply for a CMS Hardship evaluation. These applicants may be eligible for no-cost CMS benefits if the hardship budget computation determines that they did not have any available income to pay for medical expenses. Applicants who had available income to pay for their medical expenses have been held in pending status until they could be re-evaluated for eligibility under CMS program modifications recently approved by Superior Court.</p>
CMS Hardship Evaluation	Workers shall determine if the applicant is eligible for a CMS Hardship evaluation. To be eligible for the evaluation, the applicant's monthly net non-exempt income must be over 165% but not more than 350% FPL.

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CMS Hardship Evaluation (Continued)

If ...	Then ...
The applicant's monthly net non-exempt income is over 350% FPL,	The application shall be denied. A new denial Notice of Action (NOA) has been created for this population. Workers shall send Hardship Denial NOA CMS-CC5D/CMS-CC5D (SP) to all denied applicants.
The applicant's monthly net non-exempt income is over 165% and less than 350% FPL,	<p>The worker shall complete the CMS Hardship evaluation and determine the applicant's monthly Share of Cost (SOC) as outlined in Article A, Section 13 (exceptions are listed below).</p> <p>The applicant must also submit a signed Reimbursement Agreement (CMS-106/CMS106 (SP)) and any other required documentation as listed below if not already submitted, as a condition of eligibility.</p> <p>A new Notice of Action (NOA), which includes the request for the CMS-106, has been created for this population.</p> <p>The worker shall send NOA CMS-CC5/CMS-CC5 (SP) and form CMS-106/CMS-106 (SP) to all potentially eligible applicants.</p>

NOA CMS-CC5/CMS-CC5 (SP) advises the applicant of their potential approval with or without a Share of Cost. It also advises the applicant to send in receipts for any medical costs they have paid so that amount may be considered as a credit towards their SOC obligation.

If additional required documentation is required and has not previously been submitted, the worker will send the Request for Documentation notice (PH CMS-16/PH CMS-16 (SP)) along with any required forms to the applicant. CMS benefits shall not be approved until the applicant has signed and returned these forms.

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Providing Verification/ Forms

For applications dated December 01, 2007 through April 11, 2008, the following documentation/forms are:

- Required as a condition for eligibility:
 - Reimbursement Agreement (CMS-106).
- Not required as a condition for eligibility:
 - Verification of the following Maximum Allowable Expenses (MAE's): housing/utilities, transportation, food, and misc. (allow either the MAE, or the reported amount, whichever is less);
 - Verification of United States citizenship; and
 - Grant of Lien/Lien Information (CMS-122/CMS-122(SP), CMS-123/CMS-123(SP) and CMS-123A).

For applications dated April 12, through April 20, 2008, the following documentation/forms are:

- Required as a condition of eligibility:
 - Grant of Lien/Lien Information (CMS-122/CMS-122(SP), CMS-123/CMS-123(SP), and CMS-123A) and
 - Reimbursement Agreement (CMS-106).
- Not required as a condition of eligibility:
 - Verification of United States citizenship and
 - Verification of the following Maximum Allowable Expenses (MAE's): housing/utilities, transportation, food, and misc. (allow either the MAE, or the reported amount, whichever is less).

For applications dated April 21 – June 30, 2008, the following documentation/forms are:

- Required as a condition of eligibility:
 - Grant of Lien/Lien Information (CMS-122/CMS-122(SP), CMS-123/CMS-123(SP), and CMS-123A);
 - Reimbursement Agreement (CMS-106/CMS-106 (SP)); and
 - Verification of United States citizenship.
- Not required as a condition of eligibility:
 - Verification of the following Maximum Allowable Expenses (MAE's): housing/utilities, transportation, food, and misc. (allow either the MAE, or the reported amount, whichever is less).

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**Providing
Verification/
Forms**
(Continued)

NOTE: With the exception of the above, eligibility requirements have not changed and case files must contain adequate information with supportive documentation to verify an individual's eligibility.

If the applicant fails to provide the signed CMS-106 within 10 business days and good cause is not determined, the worker will deny the application and Hardship Denial NOA (CMS-CC5D) shall be sent to the applicant. The worker shall also inform the CMS Administrative Services Organization (ASO) via Registration Information form (CMS-4) of the denial and the denial reason(s).

If the signed CMS-106 is returned, the worker will approve CMS and send the Hardship Eligibility Approval Informing Letter (CMS-CC5A), the CMS Medical/Dental Need form (CMS-127/CMS-127 (SP)) and a blue CMS ID card to the applicant. The worker shall also inform the ASO via form CMS-4 of the approval and any related SOC information. The worker will also include with the CMS-4 any receipts provided by the applicant. The ASO can consider those receipts toward SOC obligations in accordance with established procedures.

Share of Cost

The amount the applicant must pay towards the cost of their CMS covered service each month. The County will bill the applicant for the monthly SOC amount, or the amount of CMS covered service, whichever is less. The County will not bill the applicant the SOC for any month that they did not receive CMS covered services.

**Certification
Period**

Individuals eligible for CMS Hardship will be certified CMS through August 2008 or whenever their six (6) month certification ends, whichever is longer.

**CMS
Information
Technology
(IT) System**

All CMS Hardship applications pending a re-evaluation for eligibility for this timeframe will be evaluated manually, which includes manual budget computations.

**Automation
Impact**

None

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Forms Impact The table below shows the new/revised forms affected by this SN.

Form #	Title	Change	Attachment
CMS-CC5	CMS Hardship-Req CMS-106 NOA	New	A
CMS-CC5 (SP)	CMS Hardship-Req CMS-106 NOA (Spanish)	New	B
CMS-CC5D	CMS Hardship-denial NOA	New	C
CMS-CC5D (SP)	CMS Hardship-denial NOA (Spanish)	New	D
CMS-CC5A	Hardship Eligibility Approval	New	E
CMS-CC5A (SP)	Hardship Eligibility Approval (Spanish)	New	F
PH CMS-16	Request for Documentation	Revised 7/08	G
PH CMS-16 (SP)	Request for Documentation (Spanish)	Revised 7/08	H

These forms will be uploaded to iWay and are available to be ordered upon receipt of this SN.

Quality Assurance Impact

Effective with the August review month, Quality Assurance will cite with the appropriate error any case that does not follow the requirement of this SN.

Managers Approval

ORIGINAL SIGNED BY:

DANN CRAWFORD, Assistant Deputy Director
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